

PUBLIC VERSION – REDACTED

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

NOVOZYMES A/S,

Plaintiff,

v.

**GENENCOR INTERNATIONAL, INC. and
ENZYME DEVELOPMENT CORPORATION,**

Defendants.

C.A. No. 05-160-KAJ

**DEFENDANTS' APPENDIX IN OPPOSITION TO NOVOZYMES A/S'
MOTION FOR PERMANENT INJUNCTION**

MORRIS, NICHOLS, ARSHT & TUNNELL
Donald E. Reid (#1058)
Jason A. Cincilla (#4232)
1201 North Market Street, 18th Floor
Wilmington, DE 19899-1347
Telephone: 302.658.9200
Facsimile: 302.658.3989

OF COUNSEL:

JONES DAY

Kenneth R. Adamo
Tharan Gregory Lanier
Jane L. Froyd
2882 Sand Hill Road, Suite 240
Menlo Park, CA 94025
Telephone: 650.739.3939
Facsimile: 650.739.3900

Thomas E. Friebe
Margaret B. Brivanlou
222 East 41st Street
New York, NY 10017-6702
Telephone: 212.326.3939
Facsimile: 212.755.7306

Attorneys for Defendants
Genencor International, Inc. and
Enzyme Development Corporation

Original Filing Date: September 18, 2006
Redacted Filing Date: September 25, 2006

PUBLIC VERSION - REDACTED**TABLE OF CONTENTS**

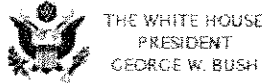
<u>Description</u>	<u>Appendix Page Nos.</u>
Excerpts of Deposition Testimony of Maurice Beto	App. 1-6
Excerpts of Deposition Testimony of Robert Curtis Brewer	App. 7-8
Excerpts of Deposition Testimony of Douglas Crabb	App. 9-11
Excerpts of Deposition Testimony of Julie Davis	App. 12-14
Excerpts of Deposition Testimony of Jeff Faller	App. 15-73
Excerpts of Deposition Testimony of Gregory LeFebvre	App. 74-84
Excerpts of Deposition Testimony of Richard Olofson	App. 85-89
Faller Deposition Exhibit No. 513	App. 90-94
Faller Deposition Exhibit No. 514	App. 95-145
Faller Deposition Exhibit No. 515	App. 146-150
Faller Deposition Exhibit No. 516	App. 151-172
Faller Deposition Exhibit No. 519	App. 173-175
Faller Deposition Exhibit No. 520	App. 176-177
Faller Deposition Exhibit No. 521	App. 178-179
Faller Deposition Exhibit No. 522	App. 180-183
LeFebvre Deposition Exhibit No. 28	App. 184-185
LeFebvre Deposition Exhibit No. 29	App. 186-189
Expert Report and Disclosure of Julie L. Davis, dated July 21, 2006	App. 190-221

PUBLIC VERSION - REDACTED

<u>Description</u>	<u>Appendix Page Nos.</u>
Exhibit 7 to Expert Report and Disclosure of Julie L. Davis, Data A4	App. 222
Expert Report of David J. Teece, dated August 18, 2006	App. 223-248
Declaration of David J. Teece, dated September 14, 2005	App. 249-261
Email from George Hykal to Greg Lanier and Jane Froyd, dated July 14, 2006	App. 262
Email from Greg Lanier to David Tellekson, dated September 13, 2006	App. 263-264
"President Bush Honors American Work Force on Labor Day"	App. 265-267
"President Bush Delivers State of the Union Address"	App. 268-279
Email titled "FW: Transcript of President Bush speech at Dakota Ethanol" (NV-D-0076883-76884)	App. 280-281
Governors' Ethanol Coalition Letter, dated April 12, 2005 (NV-D-0005864-5865)	App. 282-283
Excerpt from Novozymes website regarding fuel ethanol	App. 284

REDACTED

APP. 1 - APP. 264



CLICK HERE TO PRINT

For Immediate Release
Office of the Press Secretary
September 4, 2006

President Bush Honors American Work Force on Labor Day

Paul Haul Center for Maritime Training and Education
Piney Point, Maryland

- [Presidential Message: Labor Day, 2006](#)
- [In Focus: Jobs and Economy](#)

11:38 A.M. EDT

THE PRESIDENT: Thank you all. Please be seated. Happy Labor Day.

AUDIENCE: Happy Labor Day.

THE PRESIDENT: Yes, thanks. Listen, I'm thrilled that Michael invited me to come and visit with you this Labor Day. But this isn't the first time he invited me. (Laughter.) He invited me for last year, and I committed. And then we had a terrible storm hit, and I hope you understood -- understand why I needed to be there than up here last year.



Now he invited me again. I couldn't wait to say yes, and couldn't wait to come here. I must confess, Michael, I didn't realize how strong your facility -- facilities are here. I wasn't sure what to expect, but this is a fantastic facility. It speaks to your leadership, and the leadership and the importance of your union. And so, here on Labor Day, I say to the union members who are here, happy Labor Day, and thanks for supporting leadership that is progressive, smart, capable, and has your best interests at heart. (Applause.)

I'm proud to be here with the family members. Michael, thanks for inviting family members. As you know, I think family is an important part of life, and that -- invite the family here -- families here today was a smart thing to do. I look forward to shaking as many hands as I can this morning.

Today, on Labor Day, we honor those who work, and we honor those who work because, in so doing, we recognize that one of the reasons why we're the economic leader in the world is because of our work force. And the fundamental question facing the country is, how do we continue to be the economic leader in the world? What do we do to make sure that, when people look around the world next year, and 10 years from now, they say, the United States is still the most powerful economy in the world? I think that's an important goal to have, because when we're the most powerful economy in the world, it means our people benefit. It means there's job opportunities. That's what we want. We want people working. We want people to realize their dreams.

And so the best thing to do is to keep pro-growth economic policies in place as the first step to making sure we're the most powerful economy in the world. And I think that means keeping those taxes low, letting you keep more of your own money. See, when you have more money in your pocket, you get to spend the money. You get to make the decisions. And the fundamental question facing government is, who best to spend your money, you, or the government? I believe you ought to do it. (Applause.)

So we ought to make the tax relief permanent. I like it when people are working for a living, have more after-tax money in their pocket. That's what I like. And I think that ought to be a policy of the United States government. So to make sure that we're the economic leader of the world, we got to keep taxes low.

But we also got to do some other things that's smart, and it starts with making sure our workers have the skills necessary to compete in the 21st century. And that's one of the primary reasons I came to this facility.



Now, I just happened to be over here at the training building, and they put me behind the wheel of a Coast Guard cutter in Baltimore Harbor, and they made the boat rock a little bit. (Laughter.) And I got slightly discombobulated. (Laughter.) It's one of the most amazing training tools I have ever seen. But it shows this union's commitment, along with industry's commitment, to making sure that those who pilot the boats, those who are engineers on the boats, have the absolute best training possible. See, as we constantly -- as the world constantly changes, we better make sure that our work force has the skills necessary to compete if we want to be the world's leading economy.

And so I applaud the Seafarers Union, and I applaud the employers working together to make sure that those who work for a living have what it takes to be competitive. And we got to make sure that's the case throughout all the work force, and we got to make sure that our community colleges are accessible to people who need to gain new skills of the 21st century. See, as the work force stays productive -- in other words, if you keep getting a good education, it increases your standard of living, but also helps this country remain strong economically.

A couple of other things we need to do, as well. We got to do something about energy, in order to make sure that we're competitive, that this economy will remain strong, that people are able to find work. By the way, the unemployment rate is 4.7 percent. That's a good sign for somebody looking for a job. It means people are working here in the United States. (Applause.)

But one thing is clear, is that dependence on foreign oil jeopardizes our capacity to grow. I mean, the problem is we get oil from some parts of the world and they simply don't like us. And so the more dependent we are on that type of energy, the less likely it will be that we are able to compete, and so people have good, high-paying jobs.

And so I've got a plan to work with -- to spend money on technologies. See, the technological development here at this school has been dramatic. Well, we can achieve the same technological breakthroughs when it comes to energy. And that starts with how we drive our automobiles. You know, one of these days, you're going to have a -- batteries in your automobile that will enable you to drive the first 40 miles without gasoline, and your car doesn't have to look like a golf cart. (Laughter.) I mean, I bet the people down in this part of the world like to drive pickups, Mike. (Laughter.) But we're going to have a battery that makes those pickups go.

And the reason why is, is that we're spending money to develop new technologies to enable us to become less dependent on oil. And that makes sense. And so, in order to think about how we remain competitive as a nation, we've got to be aggressive in promoting new technologies, particularly on the energy front.



You know, in the Midwest, a lot of people are beginning to fuel their cars with more and more ethanol. Ethanol is derived from corn, so you've got to get out there growing corn; the corn goes into an ethanol plant and out comes fuel to drive the car. That seems to make a lot of sense to me to say, in order to become less dependent on foreign oil why don't we become more reliant upon America's farmers to produce energy for our automobiles? And that's the kind of things we're doing. (Applause.)

You know, we flew over -- coming here, we flew over a nuclear power plant, and it's a modern, safe plant. In my judgment, this country ought to continue to expand nuclear power if we want to become less dependent on foreign sources of energy. Nuclear power is safe; nuclear power is clean; and nuclear power is renewable. And so, what I'm telling you is, and what I want the country to understand is, is that technologies -- technologies has

enabled this work force -- this union to have a more productive work force -- technology is going to enable us to become less dependent on oil. And we've got to continue to pursue technologies.

And finally, one of the ways to make sure that we're a competitive nation is to continue opening up markets for U.S. products. If I was somebody who was driving a ship, or an engineer on a ship, I'd want to hear a President say, we want you to be selling U.S. products -- transporting U.S. products around the world. See, we got 5 percent of the world's people here in the United States, which means 95 percent are potential customers. And therefore, it's important for us to be aggressive about opening up markets.

And my message to the world is this: Just treat us the way we treat you. That's all we expect. We just want the rules to be fair -- because I believe this country can compete with anybody, any time, anywhere, so long as the rules are fair. (Applause.) So Mike asked me to come and talk about ways to make sure we're competitive. He said, what you going to do, Mr. President? There you are, things are going okay now, but what about five years from now, what will the world look like? And I hope here are some good ideas for you to think about, about how to make sure that the United States is competitive.

In the meantime, it's important for Presidents to embrace the Jones Act. Sacco was constantly talking to me about that. I have, so far, five-and-a-half years as the President, supported the Jones Act, and will continue to do so as the President. (Applause.)

I can't help but look at a man over there in uniform and think about our military right now on Labor Day. First, thank you for serving. (Applause.) And our soldiers and sailors and Coast Guard men and Marines and Air Force have got to understand this -- that this country supports them in the mission; that they may hear all the political discourse going on, but the people of this country, the people of the United States of America stand squarely behind the men and women who wear our uniform. (Applause.)

And on Labor Day, we think about those who are sacrificing for our freedom and peace, and we think about their families, too.

And so I want to thank you for greeting me. I look forward to coming to say hello to you. I appreciate you taking time out of your day to say hi. I know you're a little disappointed that Laura didn't come. (Laughter.) You probably wish she'd have come and I stayed at home. (Laughter.) But she sends her greetings. God bless you all, and may God continue to bless the United States of America. (Applause.)

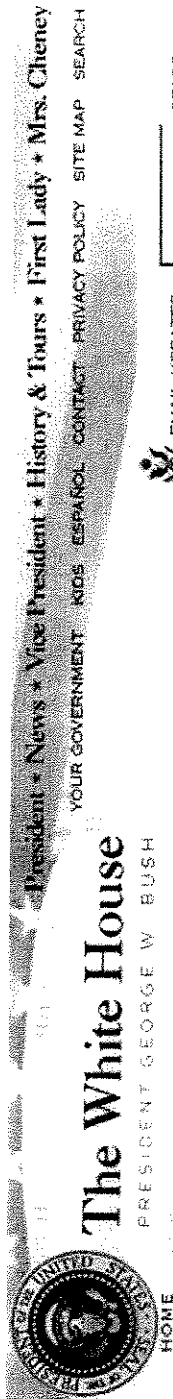
END 11:49 A.M. EDT

Return to this article at:

<http://www.whitehouse.gov/news/releases/2006/09/20060904.html>



CLICK HERE TO PRINT



Home > News & Policies > January 2006

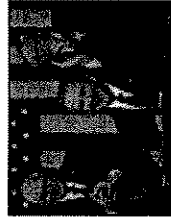
Issues

Budget Management
Education
Energy
Health Care
Homeland Security
Hurricanes
Immigration
Jobs & Economy
Medicare
National Security
Pandemic Flu
Patriot Act
Renewal in Iraq
Social Security
More Issues

President Bush Delivers State of the Union Address

United States Capitol
Washington, D.C.

Real Media & Windows Media
State of the Union 2006
A Strong America Leading the World
American Competitiveness Initiative
The Advanced Energy Initiative
Affordable And Accessible Health Care



VIDEO Multimedia

President's Remarks

REAL

WIN

For Immediate Release
Office of the Press Secretary
January 31, 2006

EMAIL UPDATES

SEARCH

PRINTER-FRIENDLY VERSION

E-MAIL THIS PAGE

9:12 P.M. EST

News

Current News
Press Briefings
Proclamations
Executive Orders
Radio

RSS Feeds

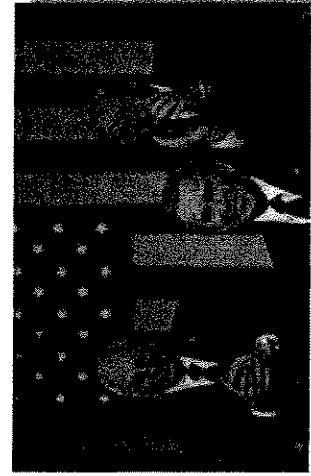
News by Date

July 2006
June 2006
May 2006
April 2006
March 2006
February 2006
January 2006

THE PRESIDENT: Thank you all. Mr. Speaker, Vice President Cheney, members of Congress, members of the Supreme Court and diplomatic corps, distinguished guests, and fellow citizens: Today our nation lost a beloved, graceful, courageous woman who called America to its founding ideals and carried on a noble dream. Tonight we are comforted by the hope of a glad reunion with the husband who was taken so long ago, and we are grateful for the good life of Coretta Scott King. (Applause.)

Every time I'm invited to this rostrum, I'm humbled by the privilege, and mindful of the history we've seen together. We have gathered under this Capitol dome in moments of national mourning and national achievement. We have served America through one of the most consequential periods of our history -- and it has been my honor to serve with you.

In a system of two parties, two chambers, and two elected branches, there will always be differences and debate. But even tough debates can be conducted in a civil tone, and our



President Bush Delivers State of the Union Address

Page 2 of 12

December 2005
 November 2005
 October 2005
 September 2005
 August 2005
 July 2005
 June 2005
 May 2005
 April 2005
 March 2005
 February 2005
 January 2005
 December 2004
 November 2004
 October 2004
 September 2004
 August 2004
 July 2004
 June 2004
 May 2004
 April 2004
 March 2004
 February 2004
 January 2004
 December 2003
 November 2003
 October 2003
 September 2003
 August 2003
 July 2003
 June 2003
 May 2003
 April 2003
 March 2003
 February 2003
 January 2003
 December 2002
 November 2002
 October 2002
 September 2002
 August 2002
 July 2002
 June 2002
 May 2002

differences cannot be allowed to harden into anger. To confront the great issues before us, we must act in a spirit of goodwill and respect for one another -- and I will do my part. Tonight the state of our Union is strong -- and together we will make it stronger. (Applause.)

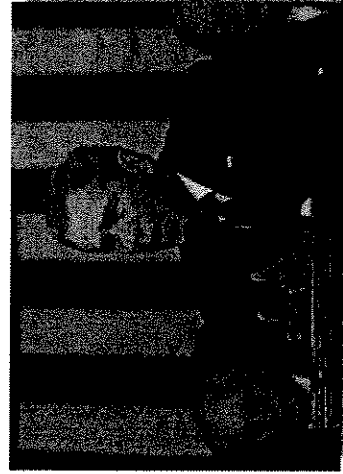
In this decisive year, you and I will make choices that determine both the future and the character of our country. We will choose to act confidently in pursuing the enemies of freedom -- or retreat from our duties in the hope of an easier life. We will choose to build our prosperity by leading the world economy -- or shut ourselves off from trade and opportunity. In a complex and challenging time, the road of isolationism and protectionism may seem broad and inviting -- yet it ends in danger and decline. The only way to protect our people, the only way to secure the peace, the only way to control our destiny is by our leadership -- so the United States of America will continue to lead. (Applause.)

Abroad, our nation is committed to an historic, long-term goal -- we seek the end of tyranny in our world. Some dismiss that goal as misguided idealism. In reality, the future security of America depends on it. On September the 11th, 2001, we found that problems originating in a failed and oppressive state 7,000 miles away could bring murder and destruction to our country. Dictatorships shelter terrorists, and feed resentment and radicalism, and seek weapons of mass destruction. Democracies replace resentment with hope, respect the rights of their citizens and their neighbors, and join the fight against terror. Every step toward freedom in the world makes our country safer -- so we will act boldly in freedom's cause. (Applause.)

Far from being a hopeless dream, the advance of freedom is the great story of our time. In 1945, there were about two dozen lonely democracies in the world. Today, there are 122. And we're writing a new chapter in the story of self-government -- with women lining up to vote in Afghanistan, and millions of Iraqis marking their liberty with purple ink, and men and women from Lebanon to Egypt debating the rights of individuals and the necessity of freedom. At the start of 2006, more than half the people of our world live in democratic nations. And we do not forget the other half -- in places like Syria and Burma, Zimbabwe, North Korea, and Iran -- because the demands of justice, and the peace of this world, require their freedom, as well. (Applause.)

No one can deny the success of freedom, but some men rage and fight against it. And one of the main sources of reaction and opposition is radical Islam -- the perversion by a few of a noble faith into an ideology of terror and death. Terrorists like bin Laden are serious about mass murder -- and all of us must take their declared intentions seriously. They seek to impose a heartless system of totalitarian control throughout the Middle East, and arm themselves with weapons of mass murder.

Their aim is to seize power in Iraq, and use it as a safe haven to launch attacks against America and the world. Lacking the military strength to challenge us directly, the terrorists have chosen the weapon of fear. When they murder children at a school in Beslan, or blow up commuters in



London, or behold a bound captive, the terrorists hope these horrors will break our will, allowing the violent to inherit the Earth. But they have miscalculated: We love our freedom, and we will fight to keep it. (Applause.)

In a time of testing, we cannot find security by abandoning our commitments and retreating within our borders. If we were to leave these vicious attackers alone, they would not leave us alone. They would simply move the battlefield to our own shores. There is no peace in retreat. And there is no honor in retreat. By allowing radical Islam to work its will -- by leaving an assaulted world to fend for itself -- we would signal to all that we no longer believe in our own ideals, or even in our own courage. But our enemies and our friends can be certain: The United States will not retreat from the world, and we will never surrender to evil. (Applause.)

America rejects the false comfort of isolationism. We are the nation that saved liberty in Europe, and liberated death camps, and helped raise up democracies, and faced down an evil empire. Once again, we accept the call of history to deliver the oppressed and move this world toward peace. We remain on the offensive against terror networks. We have killed or captured many of their leaders -- and for the others, their day will come.

We remain on the offensive in Afghanistan, where a fine President and a National Assembly are fighting terror while building the institutions of a new democracy. We're on the offensive in Iraq, with a clear plan for victory. First, we're helping Iraqis build an inclusive government, so that old resentments will be eased and the insurgency will be marginalized.

Second, we're continuing reconstruction efforts, and helping the Iraqi government to fight corruption and build a modern economy, so all Iraqis can experience the benefits of freedom. And, third, we're striking terrorist targets while we train Iraqi forces that are increasingly capable of defeating the enemy. Iraqis are showing their courage every day, and we are proud to be their allies in the cause of freedom. (Applause.)

Our work in Iraq is difficult because our enemy is brutal. But that brutality has not stopped the dramatic progress of a new democracy. In less than three years, the nation has gone from dictatorship to liberation, to sovereignty, to a constitution, to national elections. At the same time, our coalition has been relentless in shutting off terrorist infiltration, clearing out insurgent strongholds, and turning over territory to Iraqi security forces. I am confident in our plan for victory; I am confident in the will of the Iraqi people; I am confident in the skill and spirit of our military. Fellow citizens, we are in this fight to win, and we are winning. (Applause.)

The road of victory is the road that will take our troops home. As we make progress on the ground, and

April 2002
March 2002
February 2002
January 2002
December 2001
November 2001
October 2001
September 2001
August 2001
July 2001
June 2001
May 2001
April 2001
March 2001
February 2001
January 2001

Appointments

Nominations
Application

Federal Facts

Federal Statistics

West Wing

History



PHOTO ESSAYS

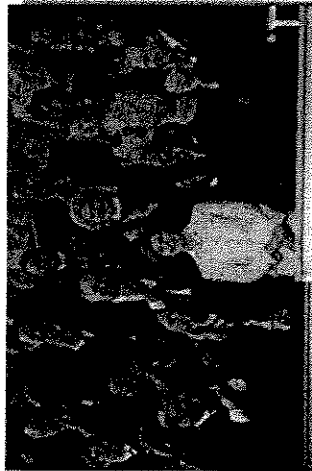


Iraqi forces increasingly take the lead, we should be able to further decrease our troop levels -- but those decisions will be made by our military commanders, not by politicians in Washington, D.C. (Applause.)

Our coalition has learned from our experience in Iraq. We've adjusted our military tactics and changed our approach to reconstruction. Along the way, we have benefitted from responsible criticism and counsel offered by members of Congress of both parties. In the coming year, I will continue to reach out and seek your good advice. Yet, there is a difference between responsible criticism that aims for success, and defeatism that refuses to acknowledge anything but failure. (Applause.) Hindsight alone is not wisdom, and second-guessing is not a strategy. (Applause.)

With so much in the balance, those of us in public office have a duty to speak with candor. A sudden withdrawal of our forces from Iraq would abandon our Iraqi allies to death and prison, would put men like bin Laden and Zarqawi in charge of a strategic country, and show that a pledge from America means little. Members of Congress, however we feel about the decisions and debates of the past, our nation has only one option: We must keep our word, defeat our enemies, and stand behind the American military in this vital mission. (Applause.)

Our men and women in uniform are making sacrifices -- and showing a sense of duty stronger than all fear. They know what it's like to fight house to house in a maze of streets, to wear heavy gear in the desert heat, to see a comrade killed by a roadside bomb. And those who know the costs also know the stakes. Marine Staff Sergeant Dan Clay was killed last month fighting in Fallujah. He left behind a letter to his family, but his words could just as well be addressed to every American. Here is what Dan wrote: "I know what honor is. ... It has been an honor to protect and serve all of you. I faced death with the secure knowledge that you would not have to.... Never falter! Don't hesitate to honor and support those of us who have the honor of protecting that which is worth protecting."



Staff Sergeant Dan Clay's wife, Lisa, and his mom and dad, Sara Jo and Bud, are with us this evening. Welcome. (Applause.)

Our nation is grateful to the fallen, who live in the memory of our country. We're grateful to all who volunteer to wear our nation's uniform -- and as we honor our brave troops, let us never forget the sacrifices of America's military families. (Applause.)

Our offensive against terror involves more than military action. Ultimately, the only way to defeat the terrorists is to defeat their dark vision of hatred and fear by offering the hopeful alternative of political freedom and peaceful change. So the United States of America supports democratic reform across the broader Middle East. Elections are vital, but they are only the beginning. Raising up a democracy requires the rule of law, and protection of minorities, and strong, accountable institutions that last longer than a

single vote.

The great people of Egypt have voted in a multi-party presidential election -- and now their government should open paths of peaceful opposition that will reduce the appeal of radicalism. The Palestinian people have voted in elections. And now the leaders of Hamas must recognize Israel, disarm, reject terrorism, and work for lasting peace. (Applause.) Saudi Arabia has taken the first steps of reform -- now it can offer its people a better future by pressing forward with those efforts. Democracies in the Middle East will not look like our own, because they will reflect the traditions of their own citizens. Yet liberty is the future of every nation in the Middle East, because liberty is the right and hope of all humanity. (Applause.)

The same is true of Iran, a nation now held hostage by a small clerical elite that is isolating and repressing its people. The regime in that country sponsors terrorists in the Palestinian territories and in Lebanon -- and that must come to an end. (Applause.) The Iranian government is defying the world with its nuclear ambitions, and the nations of the world must not permit the Iranian regime to gain nuclear weapons. (Applause.) America will continue to rally the world to confront these threats.



Tonight, let me speak directly to the citizens of Iran: America respects you, and we respect your country. We respect your right to choose your own future and win your own freedom. And our nation hopes one day to be the closest of friends with a free and democratic Iran. (Applause.)

To overcome dangers in our world, we must also take the offensive by encouraging economic progress, and fighting disease, and spreading hope in hopeless lands. Isolationism would not only tie our hands in fighting enemies, it would keep us from helping our friends in desperate need. We show compassion abroad because Americans believe in the God-given dignity and worth of a villager with HIV/AIDS, or an infant with malaria, or a refugee fleeing genocide, or a young girl sold into slavery. We also show compassion abroad because regions overwhelmed by poverty, corruption, and despair are sources of terrorism, and organized crime, and human trafficking, and the drug trade.

In recent years, you and I have taken unprecedented action to fight AIDS and malaria, expand the education of girls, and reward developing nations that are moving forward with economic and political reform. For people everywhere, the United States is a partner for a better life. Short-changing these efforts would increase the suffering and chaos of our world, undercut our long-term security, and dull the conscience of our country. I urge members of Congress to serve the interests of America by showing the compassion of America.

Our country must also remain on the offensive against terrorism here at home. The enemy has not lost the desire or capability to attack us. Fortunately, this nation has superb professionals in law enforcement, intelligence, the military, and homeland security. These men and women are dedicating their lives,

protecting us all, and they deserve our support and our thanks. (Applause.) They also deserve the same tools they already use to fight drug trafficking and organized crime -- so I ask you to reauthorize the Patriot Act. (Applause.)

It is said that prior to the attacks of September the 11th, our government failed to connect the dots of the conspiracy. We now know that two of the hijackers in the United States placed telephone calls to al Qaeda operatives overseas. But we did not know about their plans until it was too late. So to prevent another attack -- based on authority given to me by the Constitution and by statute -- I have authorized a terrorist surveillance program to aggressively pursue the international communications of suspected al Qaeda operatives and affiliates to and from America. Previous Presidents have used the same constitutional authority I have, and federal courts have approved the use of that authority. Appropriate members of Congress have been kept informed. The terrorist surveillance program has helped prevent terrorist attacks. It remains essential to the security of America. If there are people inside our country who are talking with al Qaeda, we want to know about it, because we will not sit back and wait to be hit again. (Applause.)

In all these areas -- from the disruption of terror networks, to victory in Iraq, to the spread of freedom and hope in troubled regions -- we need the support of our friends and allies. To draw that support, we must always be clear in our principles and willing to act. The only alternative to American leadership is a dramatically more dangerous and anxious world. Yet we also choose to lead because it is a privilege to serve the values that gave us birth. American leaders -- from Roosevelt to Truman to Kennedy to Reagan -- rejected isolation and retreat, because they knew that America is always more secure when freedom is on the march.

Our own generation is in a long war against a determined enemy -- a war that will be fought by Presidents of both parties, who will need steady bipartisan support from the Congress. And tonight I ask for yours. Together, let us protect our country, support the men and women who defend us, and lead this world toward freedom. (Applause.)

Here at home, America also has a great opportunity: We will build the prosperity of our country by strengthening our economic leadership in the world.

Our economy is healthy and vigorous, and growing faster than other major industrialized nations. In the last two-and-a-half years, America has created 4.6 million new jobs -- more than Japan and the European Union combined. (Applause.) Even in the face of higher energy prices and natural disasters, the American people have turned in an economic performance that is the envy of the world.

The American economy is preeminent, but we cannot afford to be complacent. In a dynamic world economy, we are seeing new competitors, like China and India, and this creates uncertainty, which makes it easier to feed people's fears. So we're seeing some old temptations return. Protectionists want to escape competition, pretending that we can keep our high standard of living while walling off our economy. Others say that the government needs to take a larger role in directing the economy, centralizing more power in Washington and increasing taxes. We hear claims that immigrants are somehow bad for the economy -- even though this economy could not function without them. (Applause.) All these are forms of economic

retreat, and they lead in the same direction -- toward a stagnant and second-rate economy.

Tonight I will set out a better path: an agenda for a nation that competes with confidence; an agenda that will raise standards of living and generate new jobs. Americans should not fear our economic future, because we intend to shape it.

Keeping America competitive begins with keeping our economy growing. And our economy grows when Americans have more of their own money to spend, save, and invest. In the last five years, the tax relief you passed has left \$880 billion in the hands of American workers, investors, small businesses, and families -- and they have used it to help produce more than four years of uninterrupted economic growth. (Applause.) Yet the tax relief is set to expire in the next few years. If we do nothing, American families will face a massive tax increase they do not expect and will not welcome. Because America needs more than a temporary expansion, we need more than temporary tax relief. I urge the Congress to act responsibly, and make the tax cuts permanent. (Applause.)

Keeping America competitive requires us to be good stewards of tax dollars. Every year of my presidency, we've reduced the growth of non-security discretionary spending, and last year you passed bills that cut this spending. This year my budget will cut it again, and reduce or eliminate more than 140 programs that are performing poorly or not fulfilling essential priorities. By passing these reforms, we will save the American taxpayer another \$14 billion next year, and stay on track to cut the deficit in half by 2009. (Applause.)

I am pleased that members of Congress are working on earmark reform, because the federal budget has too many special interest projects. (Applause.) And we can tackle this problem together, if you pass the line-item veto. (Applause.)

We must also confront the larger challenge of mandatory spending, or entitlements. This year, the first of about 78 million baby boomers turn 60, including two of my Dad's favorite people -- me and President Clinton. (Laughter.) This milestone is more than a personal crisis -- (laughter) -- it is a national challenge. The retirement of the baby boom generation will put unprecedented strains on the federal government. By 2030, spending for Social Security, Medicare and Medicaid alone will be almost 60 percent of the entire federal budget. And that will present future Congresses with impossible choices -- staggering tax increases, immense deficits, or deep cuts in every category of spending. Congress did not act last year on my proposal to save Social Security -- (applause) -- yet the rising cost of entitlements is a problem that is not going away. (Applause.) And every year we fail to act, the situation gets worse.

So tonight, I ask you to join me in creating a commission to examine the full impact of baby boom retirements on Social Security, Medicare, and Medicaid. This commission should include members of Congress of both parties, and offer bipartisan solutions. We need to put aside partisan politics and work together and get this problem solved. (Applause.)

Keeping America competitive requires us to open more markets for all that Americans make and grow. One out of every five factory jobs in America is related to global trade, and we want people everywhere to

buy American. With open markets and a level playing field, no one can out-produce or out-compete the American worker. (Applause.)

Keeping America competitive requires an immigration system that upholds our laws, reflects our values, and serves the interests of our economy. Our nation needs orderly and secure borders. (Applause.) To meet this goal, we must have stronger immigration enforcement and border protection. (Applause.) And we must have a rational, humane guest worker program that rejects amnesty, allows temporary jobs for people who seek them legally, and reduces smuggling and crime at the border. (Applause.)

Keeping America competitive requires affordable health care. (Applause.) Our government has a responsibility to provide health care for the poor and the elderly, and we are meeting that responsibility. (Applause.) For all Americans -- for all Americans, we must confront the rising cost of care, strengthen the doctor-patient relationship, and help people afford the insurance coverage they need. (Applause.)

We will make wider use of electronic records and other health information technology, to help control costs and reduce dangerous medical errors. We will strengthen health savings accounts -- making sure individuals and small business employees can buy insurance with the same advantages that people working for big businesses now get. (Applause.) We will do more to make this coverage portable, so workers can switch jobs without having to worry about losing their health insurance. (Applause.) And because lawsuits are driving many good doctors out of practice -- leaving women in nearly 1,500 American counties without a single OB/GYN -- I ask the Congress to pass medical liability reform this year. (Applause.)

Keeping America competitive requires affordable energy. And here we have a serious problem: America is addicted to oil, which is often imported from unstable parts of the world. The best way to break this addiction is through technology. Since 2001, we have spent nearly \$10 billion to develop cleaner, cheaper, and more reliable alternative energy sources -- and we are on the threshold of incredible advances.

So tonight, I announce the Advanced Energy Initiative -- a 22-percent increase in clean-energy research -- at the Department of Energy, to push for breakthroughs in two vital areas. To change how we power our homes and offices, we will invest more in zero-emission coal-fired plants, revolutionary solar and wind technologies, and clean, safe nuclear energy. (Applause.)

We must also change how we power our automobiles. We will increase our research in better batteries for hybrid and electric cars, and in pollution-free cars that run on hydrogen. We'll also fund additional research in cutting-edge methods of producing ethanol, not just from corn, but from wood chips and stalks, or switch grass. Our goal is to make this new kind of ethanol practical and competitive within six years. (Applause.)

Breakthroughs on this and other new technologies will help us reach another great goal: to replace more than 75 percent of our oil imports from the Middle East by 2025. (Applause.) By applying the talent and technology of America, this country can dramatically improve our environment, move beyond a petroleum-based economy, and make our dependence on Middle Eastern oil a thing of the past. (Applause.)

And to keep America competitive, one commitment is necessary above all: We must continue to lead the world in human talent and creativity. Our greatest advantage in the world has always been our educated, hardworking, ambitious people -- and we're going to keep that edge. Tonight I announce an American Competitiveness Initiative, to encourage innovation throughout our economy, and to give our nation's children a firm grounding in math and science. (Applause.)

First, I propose to double the federal commitment to the most critical basic research programs in the physical sciences over the next 10 years. This funding will support the work of America's most creative minds as they explore promising areas such as nanotechnology, supercomputing, and alternative energy sources.

Second, I propose to make permanent the research and development tax credit -- (applause) -- to encourage bolder private-sector initiatives in technology. With more research in both the public and private sectors, we will improve our quality of life -- and ensure that America will lead the world in opportunity and innovation for decades to come. (Applause.)

Third, we need to encourage children to take more math and science, and to make sure those courses are rigorous enough to compete with other nations. We've made a good start in the early grades with the No Child Left Behind Act, which is raising standards and lifting test scores across our country. Tonight I propose to train 70,000 high school teachers to lead advanced-placement courses in math and science, bring 30,000 math and science professionals to teach in classrooms, and give early help to students who struggle with math, so they have a better chance at good, high-wage jobs. If we ensure that America's children succeed in life, they will ensure that America succeeds in the world. (Applause.)

Preparing our nation to compete in the world is a goal that all of us can share. I urge you to support the American Competitiveness Initiative, and together we will show the world what the American people can achieve.

America is a great force for freedom and prosperity. Yet our greatness is not measured in power or luxuries, but by who we are and how we treat one another. So we strive to be a compassionate, decent, hopeful society.

In recent years, America has become a more hopeful nation. Violent crime rates have fallen to their lowest levels since the 1970s. Welfare cases have dropped by more than half over the past decade. Drug use among youth is down 19 percent since 2001. There are fewer abortions in America than at any point in the last three decades, and the number of children born to teenage mothers has been falling for a dozen years in a row. (Applause.)

These gains are evidence of a quiet transformation -- a revolution of conscience, in which a rising generation is finding that a life of personal responsibility is a life of fulfillment. Government has played a role. Wise policies, such as welfare reform and drug education and support for abstinence and adoption have made a difference in the character of our country. And everyone here tonight, Democrat and Republican, has a right to be proud of this record. (Applause.)

Yet many Americans, especially parents, still have deep concerns about the direction of our culture, and the health of our most basic institutions. They're concerned about unethical conduct by public officials, and discouraged by activist courts that try to redefine marriage. They worry about children in our society who need direction and love, and about fellow citizens still displaced by natural disaster, and about suffering caused by treatable diseases.

As we look at these challenges, we must never give in to the belief that America is in decline, or that our culture is doomed to unravel. The American people know better than that. We have proven the pessimists wrong before -- and we will do it again. (Applause.)

A hopeful society depends on courts that deliver equal justice under the law. The Supreme Court now has two superb new members -- new members on its bench: Chief Justice John Roberts and Justice Sam Alito. (Applause.) I thank the Senate for confirming both of them. I will continue to nominate men and women who understand that judges must be servants of the law, and not legislate from the bench. (Applause.)

Today marks the official retirement of a very special American. For 24 years of faithful service to our nation, the United States is grateful to Justice Sandra Day O'Connor. (Applause.)

A hopeful society has institutions of science and medicine that do not cut ethical corners, and that recognize the matchless value of every life. Tonight I ask you to pass legislation to prohibit the most egregious abuses of medical research: human cloning in all its forms, creating or implanting embryos for experiments, creating human-animal hybrids, and buying, selling, or patenting human embryos. Human life is a gift from our Creator -- and that gift should never be discarded, devalued or put up for sale. (Applause.)

A hopeful society expects elected officials to uphold the public trust. (Applause.) Honorable people in both parties are working on reforms to strengthen the ethical standards of Washington -- I support your efforts. Each of us has made a pledge to be worthy of public responsibility -- and that is a pledge we must never forget, never dismiss, and never betray. (Applause.)

As we renew the promise of our institutions, let us also show the character of America in our compassion and care for one another.

A hopeful society gives special attention to children who lack direction and love. Through the Helping America's Youth Initiative, we are encouraging caring adults to get involved in the life of a child -- and this good work is being led by our First Lady, Laura Bush. (Applause.) This year we will add resources to encourage young people to stay in school, so more of America's youth can raise their sights and achieve their dreams.

A hopeful society comes to the aid of fellow citizens in times of suffering and emergency -- and stays at it until they're back on their feet. So far the federal government has committed \$85 billion to the people of the Gulf Coast and New Orleans. We're removing debris and repairing highways and rebuilding stronger levees. We're providing business loans and housing assistance. Yet as we meet these immediate needs,

we must also address deeper challenges that existed before the storm arrived.

In New Orleans and in other places, many of our fellow citizens have felt excluded from the promise of our country. The answer is not only temporary relief, but schools that teach every child, and job skills that bring upward mobility, and more opportunities to own a home and start a business. As we recover from a disaster, let us also work for the day when all Americans are protected by justice, equal in hope, and rich in opportunity. (Applause.)

A hopeful society acts boldly to fight diseases like HIV/AIDS, which can be prevented, and treated, and defeated. More than a million Americans live with HIV, and half of all AIDS cases occur among African Americans. I ask Congress to reform and reauthorize the Ryan White Act, and provide new funding to states, so we end the waiting lists for AIDS medicines in America. (Applause.) We will also lead a nationwide effort, working closely with African American churches and faith-based groups, to deliver rapid HIV tests to millions, end the stigma of AIDS, and come closer to the day when there are no new infections in America. (Applause.)

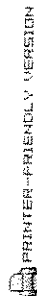
Fellow citizens, we've been called to leadership in a period of consequence. We've entered a great ideological conflict we did nothing to invite. We see great changes in science and commerce that will influence all our lives. Sometimes it can seem that history is turning in a wide arc, toward an unknown shore. Yet the destination of history is determined by human action, and every great movement of history comes to a point of choosing.

Lincoln could have accepted peace at the cost of disunity and continued slavery. Martin Luther King could have stopped at Birmingham or at Selma, and achieved only half a victory over segregation. The United States could have accepted the permanent division of Europe, and been complicit in the oppression of others. Today, having come far in our own historical journey, we must decide: Will we turn back, or finish well?

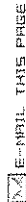
Before history is written down in books, it is written in courage. Like Americans before us, we will show that courage and we will finish well. We will lead freedom's advance. We will compete and excel in the global economy. We will renew the defining moral commitments of this land. And so we move forward -- optimistic about our country, faithful to its cause, and confident of the victories to come.

May God bless America. (Applause.)

END 10:03 P.M. EST



PRINTER-FRIENDLY VERSION



E-MAIL THIS PAGE

President | Vice President | First Lady | Mrs. Cheney | News & Policies

[History & Tours](#) | [Kids](#) | [Your Government](#) | [Appointments](#) | [Jobs](#) | [Contact](#) | [Text only](#)
[Accessibility](#) | [Search](#) | [Privacy Policy](#) | [Help](#)

REDACTED



The following is a partial transcript of President Bush's speech Wednesday afternoon at Dakota Ethanol, LLC, in Wentworth, S.D.

"One of the most important ways to make sure the agriculture economy is strong is to promote value-added processing.

I said, when I was running for president, that I supported ethanol. . . and I meant it. I support it now, because not only do I know it's important for the ag sector of our economy, it's an important part of making sure we become less reliant on foreign sources of energy.

And I appreciate Sen. Daschle working on the RFS standard. And I appreciate John Thune working on the bio-energy rebate program. To make sure that we help increase, on the one hand, the demand for ethanol, and on the other hand, the supply of ethanol.

It's good public policy for America. It's good for our air, it's good for our economy and it's good for our national security.

Thank goodness we're self-sufficient in food. But we're not self-sufficient in energy. Pretty soon they're

going to get an energy bill to my desk, and I look forward to signing it. On the one hand, it's going to encourage more conservation. On the other hand, hopefully, it will spur not only the development of renewables, but more oil and gas at home. And the two are not mutually exclusive. The less reliant we are on foreign sources of crude oil, the better off we are in America."

Brought to you by Ethanol Producer Magazine
<http://www.ethanolproducer.com>

[Click here](#) to unsubscribe from our mailing list. Or reply to this message with the word unsubscribe in the subject line.

Governors' Ethanol Coalition

• **Minnesota** Gov. Tim Pawlenty, Chair • **Kansas** Gov. Kathleen Sebelius, Vice Chair • **Illinois** Gov. Rod Blagojevich, Past Chair

Arizona Gov. Janet Napolitano	Kentucky Gov. Ernie Fletcher	North Carolina Gov. Mike Easley	South Dakota Gov. Mike Rounds
Arkansas Gov. Mike Huckabee	Michigan Gov. Jennifer Granholm	North Dakota Gov. John Hoeven	Tennessee Gov. Phil Bredesen
Colorado Gov. Bill Owens	Mississippi Gov. Haley Barbour	Ohio Gov. Bob Taft	Texas Gov. Rick Perry
Hawaii Gov. Linda Lingle	Missouri Gov. Matt Blunt	Oklahoma Gov. Brad Henry	Washington Gov. Christine Gregoire
Idaho Gov. Dirk Kempthorne	Montana Gov. Brian Schweitzer	Oregon Gov. Ted Kulongoski	Wisconsin Gov. Jim Doyle
Indiana Gov. Mitch Daniels	Nebraska Gov. Dave Heineman	Puerto Rico Gov. Anibal Acevedo-Vila	Wyoming Gov. Dave Freudenthal
Iowa Gov. Thomas Vilsack	New Mexico Gov. Bill Richardson	South Carolina Gov. Mark Sanford	

• International alliances with Brazil, Canada, Mexico, Sweden and Thailand •

April 12, 2005

The Honorable George W. Bush
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Bush:

The Governors' Ethanol Coalition, which represents 30 governors, believes that increasing dependence on foreign oil is a major risk to the nation's energy, economic, and environmental security. National security is linked to energy through the dependence of this country and many others on imported oil — much of it located in politically troubled parts of the globe. The combination of political tensions in major oil-producing nations with growing oil demand from China and India is seriously threatening our economic and national security. As we import greater amounts of oil each year, we are draining more and more of the wealth from our states.

The safest and cheapest way to mitigate these risks is to set and achieve a goal of providing at least 5 percent of the nation's transportation fuel from ethanol by 2010, and to produce at least 8 billion gallons of ethanol a year by 2012. As soon as practical thereafter, the nation should produce at least 10 percent of its transportation fuel from ethanol and biodiesel.

The Governors' Ethanol Coalition, determined to address this challenge, developed the attached set of recommendations aimed at achieving the above goals, including production of at least 1 billion gallons of biomass-derived ethanol. The expansion of ethanol production to a wide variety of feedstocks including biomass will allow all regions of the nation to both contribute to meeting the 10 percent goal and benefit from the economic development associated with domestic energy production.

The Coalition believes that a national commitment to implementing the recommendations, summarized below, will result in ethanol replacing significant amounts of petroleum derived from unstable regions around the globe over the next 10 years. The Coalition's recommendations include:

- **National Renewable Fuels Security Standard and Performance-based Incentives.** Enact a National Renewable Fuels Security Standard requiring the use of at least 8 billion gallons a year of ethanol and biodiesel by 2012. As soon as practical thereafter, the nation should move toward production of at least 10 percent of its transportation fuel from ethanol and biodiesel relying on a growing share of that production from biomass-derived ethanol. This standard, in conjunction with a significant increase in applied research and production incentives, will make the goal of reducing our

P.O. Box 95085, Lincoln, NE 68509-5085, Phone 402-471-2867, Fax 402-471-3064, Internet www.ethanol-gov.org

Printed with soy ink on paper made from 100% post consumer waste

dependency on imported oil a reality. It also offers the potential for the industry to provide even greater production in all regions of the nation over time.

To encourage the most energy-efficient production of ethanol, the Coalition recommends amending the federal tax code to provide additional per gallon incentives for biomass-derived ethanol, based on the energy efficiency of the production process and the resulting carbon emissions. This system should be designed in a manner that does not penalize existing corn ethanol production by reducing incentives for those processes, but rather encourages innovation by rewarding the development and use of feedstocks and processes with superior lifecycle energy and emissions profiles. This approach also aids in avoiding backsliding on air quality issues.

- **Research and Development.** From existing federal research funds, including those from the Departments of Defense, Energy, Agriculture, and Transportation, as well as the Environmental Protection Agency, provide a targeted, substantial investment in research, applied fundamentals, and innovation to address the recalcitrance of biomass, expand co-products, and make advances in feedstock production. This approach offers a cost-effective and efficient transition model to expand production of ethanol from other biomass materials. The Coalition recommends \$800 million in research and development funding for biomass ethanol production over 10 years. This is an amount equivalent to only four days of U.S. oil imports, or a modest \$80 million, on average, each year for this critical research.
- **Commercialization and Production Incentives.** One of the most significant barriers to commercialization of biomass ethanol technology is the unproven nature of the technology in large-scale commercial facilities. The Governors' Ethanol Coalition recommends that the Federal Government offer market-based incentives for commercial demonstration and technology application to support large-scale operations resulting in production of 1 billion gallons a year of biomass-derived ethanol by 2015 at a cost that is competitive with gasoline and diesel. The approach favored by the Coalition would utilize a "reverse auction" for delivery of the incentives. This auction approach, already utilized by some State governments, requires would-be developers to compete for production incentives through an open bidding process that provides incentives to the bidder that delivers production at the least cost while meeting all other eligibility requirements. The Governors' Ethanol Coalition recommends \$800 million for these incentives.

Based upon the expert input provided to the Governors' Ethanol Coalition, as well as the states' own experiences in fostering ethanol production, the Coalition believes a strong national policy commitment and integrated implementation of each of these recommendations is needed.

Please accept our thanks for your leadership on energy issues and your support for ethanol and biofuels. We urge you to impress upon Congress the importance of this issue, and we look forward to working with you and Congressional leadership to encourage development and passage of legislation that would support these important recommendations — mitigating a serious risk to the nation's security.

Sincerely,



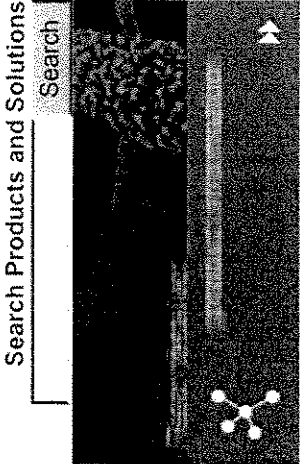
Tim Pawlenty, Chair
Governor of Minnesota



Kathleen Sebelius, Vice Chair
Governor of Kansas



Fuel ethanol



Reducing the use of fossil fuels that add to the greenhouse effect is a hot issue. There are enzymes that produce bioethanol from grains. By using a 10% ethanol-blend added to ordinary gasoline, 3 to 6% less CO2 is emitted when burned.

Fuel ethanol is not only a renewable resource of energy; it also burns cleaner than gasoline and produces fewer harmful exhaust emissions. Environmentally friendly by nature, it also offers a chance to phase out the gasoline additive MTBE (methyl tertiary butyl ether) - a contaminant which has been found in drinking water in many parts of the USA.

Innovation for a better tomorrow

We are preparing today's fuel ethanol industry for tomorrow with one prevailing goal: better lives on a greener Earth. The demand for fuel ethanol today is higher than ever. Today, grains rich in starch are being converted into fuel ethanol but cellulose will also be used in future. Cellulose is the most abundant organic material on Earth and could become an unlimited source of energy.

Novozymes has already come a long way in developing state-of-the-art enzymes that can convert cellulose into simple sugars, which in turn can be fermented into fuel ethanol. You can trust us to continue to develop sustainable solutions which not only improve the environment, but also enhance business. And, we can provide you with the correct mix of knowledgeable people, valuable services and wide-range of cost-effective products required to optimise your plant.

Meeting your specific needs

To meet your specific needs, we offer optimised enzyme products based on your processes, end-products and logistics. The 'Enzymes4U' way is to store enzyme concentrates and make finished products to order in a mixing tank just before loading them into a waiting truck. This varies considerably from the classic way to store enzymes as a finished product with a standard concentration and activity.

Read more about our sustainable enzyme solutions, and our 'Enzymes4U' concept in our Customer Centre.

Fermentation enhancement	Liquefaction
Alcalase	BAN
	Liquozyme
	Ternamyl
Saccharification	Viscosity reduction
Spirizyme	Viscozyme

Top

CERTIFICATE OF SERVICE

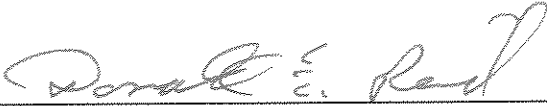
I, Donald E. Reid, hereby certify that on the 25th day of September, 2006, a Public Version of Defendants' Appendix In Opposition To Novozymes A/S' Motion For Permanent Injunction was served by e-mail upon counsel of record:

Andrew A. Lundgren, Esquire (alundgren@ycst.com)
Young Conaway Stargatt & Taylor LLP
1000 West Street
Wilmington, DE 19801

Samuel S. Woodley, Esquire (swoodley@darbylaw.com)
Robert C. Sullivan, Jr., Esquire (rsullivan@darbylaw.com)
Darby & Darby P.C.
805 Third Avenue, 27th Floor
New York, NY 10022

David K. Tellekson, Esquire (dtellekson@darbylaw.com)
Darby & Darby P.C.
1191 Second Avenue
Seattle, WA 98101

George Hykal, Esquire (ghykal@darbylaw.com)
Darby & Darby P.C.
803 3rd Avenue
New York, NY 10022



Donald E. Reid (#1058)